



County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA
Chief Executive Officer

July 2, 2012

To: Supervisor Zev Yaroslavsky, Chairman
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

SACRAMENTO UPDATE

The memorandum contains a report on Governor Brown's reorganization proposal which would eliminate the California Department of Boating and Waterways Commission; updates on six County-advocacy measures related to: 1) health plan coverage for mental illnesses; 2) estate administration; 3) criminal history information on applications for employment; 4) immunization requirements for school-age children; 5) increasing the health care workforce; and 6) death benefit claims for firefighters and peace officers; and a report on legislation of County interest related to foster care.

Proposal to Eliminate the California Department of Boating and Waterways

On March 30, 2012, Governor Brown introduced his Reorganization Plan No. 2 (GRP2), which proposes to reorganize, consolidate, and eliminate two State agencies, 39 State entities, and nine State programs, many of which were disclosed in the Governor's FY 2012-13 January Budget proposal. According to the Governor, the reorganization proposal would make State government less costly and more efficient, more sensible and easier to manage effectively. The plan includes a proposal to eliminate the California Department of Boating and Waterways (CDBW) and transfer the functions to a division of the California Department of Parks and Recreation (CDPR). In connection with this proposal, the plan also recommends elimination of the California Boating and Waterways Commission (Commission).

On April 24, 2012, the Board adopted a motion to oppose the Governor's proposal to eliminate CDBW. The FY 2012-13 State Budget Act took no action on the Governor's proposal to eliminate the CDBW. Instead this proposal was shifted to the Governor's

"To Enrich Lives Through Effective And Caring Service"

**Please Conserve Paper – This Document and Copies are Two-Sided
Intra-County Correspondence Sent Electronically Only**

reorganization plan sent to the Little Hoover Commission (LHC) to review as part of the statutory reorganization process. **The Sacramento advocates continue to oppose the Governor's proposal to eliminate CDBW.**

Existing law requires the Governor to submit any restructuring plan to the LHC for review and recommendation, whose role in the reorganization process is only advisory. LHC conducted three public hearings on the plan, including a hearing held on April 25, 2012 on the issues and considerations involved in the proposal to eliminate CDBW. On May 22, 2012, LHC issued its report and recommended that the Legislature allow GRP2 to go forward. While the LHC recommends the reorganization plan to proceed, the report indicates that elements of the plan require legislative attention to address concerns on various components, including the proposal related to CDBW and the Commission. According to LHC, several issues were raised by stakeholders of CDBW related to diminished oversight and reduced focus on boating and waterway activities resulting from the proposed elimination of CDBW and the independent Commission.

The Legislature is required to refer a reorganization plan to a standing committee for study and a report. The Assembly Special Committee on the GRP2 held four hearings on the reorganization proposal, including a hearing held on June 13, 2012, which considered the proposal to eliminate of CDBW. The Assembly may vote on a resolution to reject the GRP2 between June 25 and July 2, 2012. If the Legislature does not reject the GRP2, it will become effective on July 3, 2012.

In addition, a number of bills have been recently amended to modify or implement various provisions of the reorganization plan, including **AB 737 (Buchanan)**, which as amended on June 28, 2012, would transfer the Commission within a division in CDPR and would prescribe the membership, functions and duties of the Commission. Specifically, the bill would place the Commission in CDPR within the Division of Boating and Waterways which would have various duties with respect to the Commission.

Under existing law, the Commission is established in CDBW and is mandated to advise CDBW on all matters within its jurisdiction. CDBW is required to submit proposals for all boating facilities loans, grants and transfers to the Commission for its advice and consent. The Commission is also required to initiate studies and surveys of the need for small craft harbors and connecting waterways throughout the State and of the most suitable sites. The Commission is composed of seven members appointed by the Governor and confirmed by the State Senate. Each commissioner's term runs for four years.

Under AB 737, the Commission would no longer have authority to approve or deny transfers of small craft harbors to local entities, loans to build small craft harbors, and

grants for launching facilities, and would only allow the Commission to comment on these proposed actions.

Support and opposition to AB 737 is currently unknown. This measure is scheduled for a hearing in Senate Governmental Organization Committee on July 2, 2012.

Status of County Advocacy Legislation

County-supported AB 154 (Beall), which as amended January 23, 2012, would require health plans to provide coverage for individuals with less serious mental illnesses, such as low-grade depression and anxiety, failed passage in the Senate Health Committee by a vote of 3 to 4 on June 27, 2012. The measure was granted reconsideration.

AB 1670 (Lara), which would have until January 1, 2016 authorized a court to appoint a person nominated a non-California resident heir as an administrator of a decedent's estate, was amended in the Senate Judiciary Committee on June 25, 2012.

As amended, AB 1670 would continue, until January 1, 2016, to authorize a court to appoint a person nominated by a non-resident heir as an administrator of a decedent's estate; however, the amendments add stipulations to allow courts to consider whether the nominee, who must be a California resident, is capable of faithfully executing the duties of the office. Specifically, courts would take into consideration whether the nominee: 1) has a conflict of interest with other interested parties; 2) had a business or personal relationship with the decedent or their family; 3) is acting on behalf of an entity that solicits heirs to obtain their nominations; and 4) has been appointed in any other estate. If a court decides to appoint an administrator in any of these situations, they are authorized to require that said nominee obtain bond, unless ordered otherwise for good cause that considers protection of creditors, heirs, and other interested parties.

The amendments to AB 1670 appear to address initial concerns with this measure regarding the potential to negative impact to local constituents. However, County Counsel indicates that some of the provisions contain issues which could be problematic to employ and enforce. County Counsel notes that the amendments provide that if the administrator ceases to be a resident of California, they would be deemed to have resigned. However, AB 1760 does not include a procedure by which this is determined or documented. If the administrator moves, other individuals dealing with the nominee would have no way of knowing of the administrator's loss of authority. County Counsel also notes that the amendments specify that the court shall not lose jurisdiction of the estate proceeding by any resignation arising from the nominee's movement from California. According to County Counsel, this provision seems not only

unnecessary, but could cause confusion, as neither case law nor current statutes suggest the court loses jurisdiction upon the removal of or resignation by an administrator, and a new provision only injects a possible anomaly into the law contrary to current practice.

The Public Administrator (PA) is further concerned that as currently amended AB 1670 does not provide sufficient stipulations regarding proof to the court that the foreign nominator is the rightful next-of-kin. The PA notes that current law only allows priority for appointment, and hence the right to nominate, if the person actually is the rightful heir (next-of-kin). If there are several possible foreign nominators, without appropriate proof, one party could be erroneously nominated, without any protection for the interests of the rightful relation.

The PA also indicates that the amendments to AB 1670 do not address concerns that this measure could negatively affect County revenues and operations. As previously reported, the PA and County Counsel indicate that this measure would allow genealogical research and private law firms to seek to represent only revenue-worthy estates leaving the courts to appoint the County to administer the most difficult and low-income estates which require significant time and work to settle, while yielding minimal fee revenue. The PA and County Counsel estimate they would be left with the majority of their current, related workload but with the loss of most of their fee proceeds, which could result in an estimated loss to the County's General Fund of roughly \$300,000 annually. Therefore, consistent with policy to minimize the adverse impact of State actions, **the Sacramento Legislative Advocates will continue to oppose AB 1670.**

AB 1670 is scheduled for hearing in the Senate Judiciary Committee on July 3, 2012.

County-opposed AB 1831 (Dickinson), which as amended June 11, 2012, would prohibit a city or county from inquiring into an applicant's criminal history on the initial employment application, except for certain positions as dictated by law, instead authorizing a local agency to consider an applicant's criminal history only after the applicant's qualifications have been screened and determined to meet the minimum employment requirements, was held in the Senate Governance and Finance Committee on June 28, 2012 until further notice at the recommendation of the Chair.

County-supported AB 2109 (Pan), which as amended on June 20, 2012, would change the process which allows parents of school-aged children to claim a Personal Belief Exemption from immunization requirements for entry to childcare and school, passed the Senate Health Committee by a vote of 7 to 1 on June 27, 2012. This measure now proceeds to the Senate Appropriations Committee.

Each Supervisor
July 2, 2012
Page 5

County-supported AB 2214 (Monning), which as amended June 20, 2012, would require the California Workforce Investment Board to establish the Health Workforce Development Council to develop a statewide plan to increase the health care workforce, passed the Senate Health Committee by a vote of 6 to 2 on June 27, 2012. This measure now proceeds to the Senate Appropriations Committee.

County-opposed AB 2451 (Pérez), which as amended April 19, 2012, would authorize a claim for death benefits for firefighters or peace officers whose death is caused by certain presumptive-type illnesses, including cancer, heart disease, tuberculosis, and blood-borne diseases, as long as it is filed within one year from the date of death, passed the Senate Labor and Industrial Relations Committee by a vote of 5 to 0 on June 27, 2012. This measure now proceeds to the Senate Floor.

Legislation of County Interest

AB 1712 (Beall), which as amended on June 21, 2012, would, among other provisions: 1) transfer the approval of Transitional Housing Placement (THP) Plus Foster Care providers, serving non-minor dependents (NMDs), from counties to the California Department of Social Services and add THP-Plus Foster Care as a State licensing category; 2) clarify issues concerning county of residence and inter-county transfers for NMDs; 3) clarify the effect on reunification plans when a minor becomes a NMD; 4) clarify eligibility and contingencies for Adoption Assistance Payments for NMDs who are adopted as adults; 5) clarify NMDs' access to services, including reunification services; and 6) clarify Kinship Guardianship Assistance Payment (Kin-GAP) Program and Adoption Assistance Program payments for non-minor former dependents.

The June 21, 2012 amendments include the addition of a requirement of a separate court file for a NMD case and the discretion of the county on whether to conduct criminal record checks of NMD's upon re-entry to THP, among other changes. This office is working with the Department of Children and Family Services and County Counsel to determine potential impact of these amendments.

AB 1712 passed the Senate Human Services Committee by a vote of 5 to 0 on June 26, 2012. The measure is scheduled for a hearing in the Senate Judiciary Committee on July 3, 2012.

We will continue to keep you advised.

WTF:RA
MR:VE:IGEA:lm

c: All Department Heads